IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO. 36 OF 1998.

The Federal Bank Ltd.
Banking Company incorporated under
the Companies Act, 1956, having its
registered office at Aluva, Kerala,
and having one of its branches at
A-8, Laram Centre, S.V.Road,
Andheri (West), Mumbai 400 058. ... Plaintiff.

Versus.

Sanjeev Arora
of Mumbai, Indian Inhabitant,
residing at 101-A, Pearl Apartment,
Lokhandwala Complex, Andheri (West),
Mumbai 400 053. ... Defendant.

Shri O.A.Das for the Plaintiff.

None for the Defendant.

CORAM : ABHAY S.OKA, J.

DATED : 6th July, 2007.

ORAL JUDGMENT.:

1. Heard the learned Counsel appearing for the Plaintiffs. The Plaintiffs have filed an affidavit of evidence of one Mr.John Danial,Manager (Administration-Legal) of the Plaintiff. The affidavit is taken on record and marked "X" for identification. The original documents relied upon in the plaint are tendered along with a list of the documents. The list of the documents along with original documents is taken on record and marked "Y" (collectively) for identification.

2. According to the case of the Plaintiff, on an

application made by the Defendant, a demand loan of Rs.5 lakhs was sanctioned to the Defendant against the pledge of certain equity shares of a company. The loan was disbursed to the Defendant against the execution of a demand promissory note, a letter of pledge, security delivery letter. As the Defendant failed to repay the amount as per the terms and conditions of grant of loan, a notice of demand was issued on 6th February 1997 by the Advocate for the Plaintiff. The Plaintiff has also produced duly certified extract of account of the Defendant. The execution and contents of the documents relied upon by the Plaintiff are proved by the affidavit of evidence of Mr.John Danial. There is no written statement filed by the Defendant. Considering the evidence on record, this is a fit case for passing a decree by invoking Rule 10 of Order VIII of the Code of Civil Procedure, 1908. The Plaintiff has prayed for future interest at the rate of 22.25% per annum. Considering the facts and circumstances of the case, interest deserves to be granted at the rate of 18% per annum.

3. Hence, there will be a decree in terms of prayer clause (b) with a modification that the interest payable will be at the rate of 18% per annum on the said claim from 15th December 1997 till payment or realisation. The Defendant will pay costs of the suit to the

Plaintiff.

4. The Plaintiff is at liberty to execute the decree before the sealing of the decree.

5. The plaintiff is entitled to refund of Court fee, if any, in accordance with rules. Certified copy is expedited.

Judge.